

Greenfield Partners, Ltd.

June 20, 2002

Mr. Sean Mulroney
Mr. Bill Boland

RE: Former R. Lavin & Sons facility, 2028 Sheridan Road, North Chicago, IL
(+/- 198,162 SF of buildings on 18.2 acres of land plus machinery and equipment)

Dear Sean and Bill:

Here is what is happening and what I think needs to be done.

Right now the city of North Chicago does not want to take title because they are worried about getting sued for the harbor clean up by the Navy. They seem to be comfortable with IEPA's position but there has not been any paperwork that I know of relative to referral to Superfund.

Here's what I think needs to happen.

- 1) Cynthia needs to send a letter to the City and Greenfield Partners that we will be treated as Prospective Purchasers.
- 2) USEPA needs to have an understanding with the Navy that they will pursue the bankruptcy court for recovery of funds for the harbor cleanup. This will include recoveries from insurance policies.
- 3) There should be an agreement that USEPA can negotiate the clean up and monitoring plan for IEPA, Navy and USEPA as part of the PPA.

I believe that if these three things happen then the city will proceed with condemnation and take the property through eminent domain authority and this project can happen. We may be past the time that this project can work functionally but for now the creditors still have security and are working with us. We are not ready for winter and I'm worried that the buildings will freeze and the urban miners will strip the building if it goes dark. If that happens it will be very hard to make this project happens because of the additional cost of re-tenanting.

Let me know if you have any additional questions.

Sincerely,



Rob Rafson

US EPA RECORDS CENTER REGION 5



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